Unemployment rate steady at 4.2%

Media Release

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Source: Labour Force, Australia, August 2024

The unemployment rate was steady at 4.2 per cent in August, according to seasonally adjusted data released today by the Australian Bureau of Statistics (ABS).

Kate Lamb, ABS head of labour statistics said: "The number of unemployed people fell by around 10,000, while the number of employed people grew by around 47,000, in August. This resulted in the unemployment rate remaining steady at 4.2 per cent and the participation rate remaining at its record high of 67.1 per cent.

"The growth in employment increased the employment-to-population ratio by 0.1 percentage point to 64.3 per cent, which is just below the November 2023 historical high of 64.4 per cent.

"This rise in the employment-to-population ratio was underpinned by an increase in the employment-to-population ratio for men, which rose by 0.2 per cent to 68.1 per cent, while the measure stayed at the near historical high of 60.6 per cent for women.

"The high employment-to-population ratio and participation rate shows that there are still large numbers of people entering the labour force and finding work, as employers continue to look to fill a more than usual number of job vacancies.

"While the number of unemployed people fell slightly to 627,000 in August, it has risen by around 45,000 people since the end of 2023," Ms Lamb said.

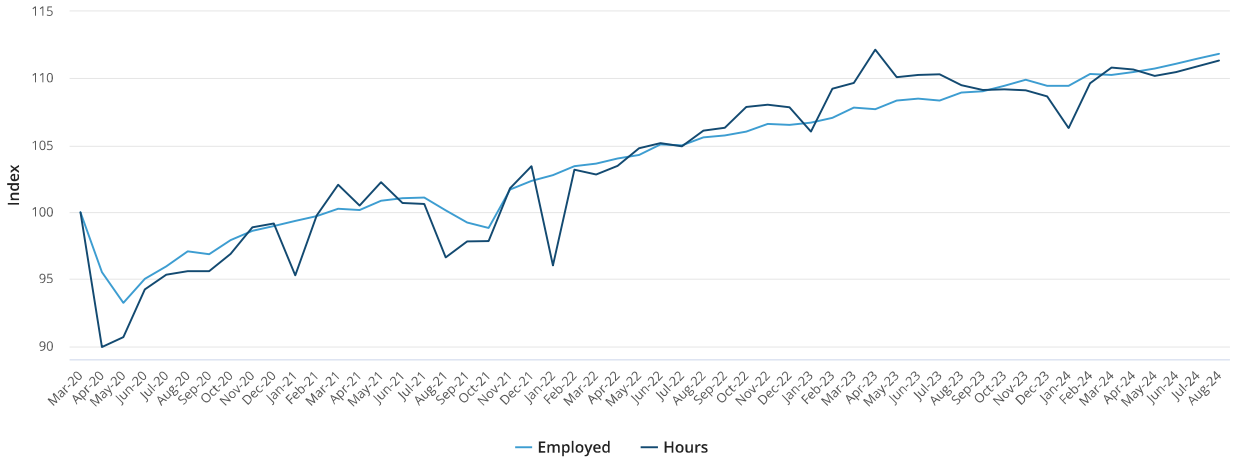
Hours worked and underemployment

Seasonally adjusted monthly hours worked rose by 0.4 per cent, slightly stronger than the 0.3 per cent rise in employment.

"The proportion of people working reduced hours because they were sick continues to be above pre-pandemic levels. However, the proportion of people working less hours than usual due to economic reasons, such as no work or less work available, is below pre-pandemic levels, which points to continued relative tightness in the labour market," Ms Lamb said.

Seasonally adjusted employment and hours worked, indexed to March 2020

Feedback



Source: Labour Force, Australia, Tables 1 and 19

Feedback

The underemployment rate rose by 0.1 percentage point to 6.5 per cent. However, it was still 0.1 percentage point lower than August 2023, and 2.2 percentage points lower than March 2020.

The underutilisation rate, which combines the unemployment and underemployment rates, was steady at 10.6 per cent. This remains well below the 13.9 per cent recorded in March 2020 before the COVID-19 pandemic.

Underlying trend data

The trend unemployment rate remained steady at 4.1 per cent for August.

In trend terms, employment grew by around 40,000 people (0.3 per cent), which was faster than the 20-year pre-pandemic average (0.2 per cent).

Hours worked grew 0.2 per cent for August, slightly slower than the growth in employment.

The underemployment rate remained at 6.4 per cent and the unemployment rate stayed at 4.1 per cent. This resulted in the underutilisation rate remaining at 10.6 per cent.

The employment-to-population ratio, 64.2 per cent, and the participation rate, 67.0 per cent, remained steady at their historical highs.

"The employment and participation measures remain historically high, while unemployment and underemployment measures are still low, especially compared with what we saw before the pandemic. This suggests the labour market remains relatively tight," Ms Lamb said.

More information will be available in the upcoming August 2024 issue of Labour Force, Australia, Detailed, on Thursday 26 September 2024, including modelled regional labour market data.

The ABS would like to thank Australians for their continued support in responding to our surveys.

Media notes

- The August survey reference period is from 4 August 2024 to 17 August 2024.
- The September survey reference period is from 1 September 2024 to 14 September 2024.
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Feedback